

**DRAFT**

**SOUTH AFRICAN REVENUE SERVICE**

**No.**

**2026**

**REQUIREMENTS FOR PROCESSING AN APPLICATION FOR A DTA ADVANCE PRICING AGREEMENT IN TERMS OF SECTION 76J(1) OF THE INCOME TAX ACT, 1962 (ACT NO. 58 OF 1962)**

In terms of section 76J(1) of the Income Tax Act, 1962, I, Edward Christian Kieswetter, Commissioner for the South African Revenue Service, hereby specify in the attached Schedule, the requirements for processing an application for a DTA advance pricing agreement.

**E C KIESWETTER**  
**COMMISSIONER: SOUTH AFRICAN REVENUE SERVICE**

## **Schedule**

### **1. General**

Any term or expression in this notice to which a meaning has been assigned in a “tax Act”, as defined in section 1 of the Tax Administration Act, 2011 (Act No. 28 of 2011), has the meaning so assigned, unless the context indicates otherwise.

### **2. Requirements for processing an application for a DTA advance pricing agreement**

The requirements for processing a DTA advance pricing agreement are as follows:

#### **2.1. Development of a DTA advance pricing agreement project plan**

2.1.1 Once the application for a DTA advance pricing agreement has been received, SARS must consult the applicant and the competent authority of the other country to agree on a project plan to process the application.

2.1.2 The project plan should include the stages of processing the application, the key milestones to be achieved during each stage and the expected duration of each stage.

#### **2.2. Information gathering**

Upon conclusion of the project plan, SARS must take such steps as necessary, to form a position for discussions with the competent authority of the other country, which may include:

- 2.2.1. requesting further information deemed relevant to review and evaluate the application, including information relating to the multinational group as a whole;
- 2.2.2. conducting functional analysis interviews with relevant persons;
- 2.2.3. engaging any industry experts; and
- 2.2.4. conducting benchmarking studies, data and information gathering and analysis of comparable entities.

#### **2.3. Co-ordination of the information gathering process**

2.3.1. During the information gathering phase, SARS will coordinate the gathering of information with the competent authority of the other country, based on the facts and circumstances of each case.

2.3.2. Where practical, functional analysis interviews, site visits and information gathering will be coordinated and conducted jointly.

2.3.3. Where any information gathering is not conducted jointly, this information must be shared with the relevant competent authority.

## **2.4. The provision of taxpayer information to competent authorities**

- 2.4.1. The applicant must provide any requested information to both competent authorities simultaneously even if the information was only requested by one specific competent authority.
- 2.4.2. Information must be provided on a date agreed between the parties.
- 2.4.3. Where there is any anticipated delay in providing the information, the applicant must communicate this to the competent authority requesting the information, together with an estimated date by when the information will be made available.

## **2.5. Position paper and competent authority negotiations**

- 2.5.1. Once all relevant information is received and considered, SARS must compile a position paper to be shared with the competent authority of the other country.
- 2.5.2. The position paper will contain information that is considered necessary to facilitate further discussions with the competent authority of the other country.
- 2.5.3. The applicant will not have a direct role during the preparation of position papers or in the subsequent negotiations between the competent authorities.

## **3. Commencement**

This Notice will apply to all applications received on or after the date of publication of this Notice in the *Government Gazette*.